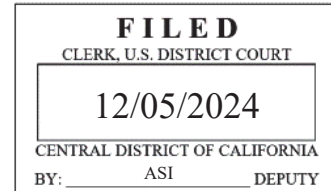


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8



9 Attorneys for Plaintiff
UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 JULIE ANNE DARRAH,

16 Defendant.

No. CR 2:24-cr-00725-ODW

PLEA AGREEMENT FOR DEFENDANT
JULIE ANNE DARRAH

17
18 1. This constitutes the plea agreement between JULIE ANNE
19 DARRAH ("defendant") and the United States Attorney's Office for the
20 Central District of California (the "USAO") in the investigation of
21 defendant for the theft and misappropriation of client funds from
22 defendant's investment advisory business between November 2016 and
23 July 2023 and defendant's misrepresentations in the sale of that
24 business in January 2022. This agreement is limited to the USAO and
25 cannot bind any other federal, state, local, or foreign prosecuting,
26 enforcement, administrative, or regulatory authorities.

27 DEFENDANT'S OBLIGATIONS

28 2. Defendant agrees to:

1 a. Give up the right to indictment by a grand jury and,
2 at the earliest opportunity requested by the USAO and provided by the
3 Court, appear and plead guilty to a one-count information in the form
4 attached to this agreement as Exhibit A or a substantially similar
5 form, which charges defendant with wire fraud in violation of 18
6 U.S.C. § 1343.

7 b. Not contest facts agreed to in this agreement.

8 c. Abide by all agreements regarding sentencing contained
9 in this agreement.

10 d. Appear for all court appearances, surrender as ordered
11 for service of sentence, obey all conditions of any bond, and obey
12 any other ongoing court order in this matter.

13 e. Not commit any crime; however, offenses that would be
14 excluded for sentencing purposes under United States Sentencing
15 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
16 within the scope of this agreement.

17 f. Be truthful at all times with the United States
18 Probation and Pretrial Services Office and the Court.

19 g. Pay the applicable special assessment at or before the
20 time of sentencing unless defendant has demonstrated a lack of
21 ability to pay such assessments.

22 h. Defendant agrees that any and all criminal debt
23 ordered by the Court will be due in full and immediately. The
24 government is not precluded from pursuing, in excess of any payment
25 schedule set by the Court, any and all available remedies by which to
26 satisfy defendant's payment of the full financial obligation,
27 including referral to the Treasury Offset Program.

1 i. Complete the Financial Disclosure Statement on a form
2 provided by the USAO and, within 30 days of defendant's entry of a
3 guilty plea, deliver the signed and dated statement, along with all
4 of the documents requested therein, to the USAO by either email at
5 usacac.FinLit@usdoj.gov (preferred) or mail to the USAO Financial
6 Litigation Section at 300 North Los Angeles Street, Suite 7516, Los
7 Angeles, CA 90012. Defendant agrees that defendant's ability to pay
8 criminal debt shall be assessed based on the completed Financial
9 Disclosure Statement and all required supporting documents, as well
10 as other relevant information relating to ability to pay.

11 j. Authorize the USAO to obtain a credit report upon
12 returning a signed copy of this plea agreement.

13 k. Consent to the USAO inspecting and copying all of
14 defendant's financial documents and financial information held by the
15 United States Probation and Pretrial Services Office.

16 FORFEITURE AND FINANCIAL ACCOUNTABILITY

17 3. Defendant further agrees:

18 a. To forfeit all right, title, and interest in and to
19 any and all monies, properties, and/or assets of any kind, derived
20 from or acquired as a result of, or used to facilitate the commission
21 of, or involved in the illegal activity to which defendant is
22 pleading guilty (collectively, the "Forfeitable Assets").

23 b. To the Court's entry of an order of forfeiture at or
24 before sentencing with respect to the Forfeitable Assets and to the
25 forfeiture of the assets.

26 c. To take whatever steps are necessary to pass to the
27 United States clear title to the Forfeitable Assets, including,
28 without limitation, the execution of a consent decree of forfeiture

1 and the completing of any other legal documents required for the
2 transfer of title to the United States.

3 d. Not to contest any administrative forfeiture
4 proceedings or civil judicial proceedings commenced against the
5 Forfeitable Assets. If defendant submitted a claim and/or petition
6 for remission for all or part of the Forfeitable Assets on behalf of
7 himself or any other individual or entity, defendant shall and hereby
8 does withdraw any such claims or petitions, and further agrees to
9 waive any right he may have to seek remission or mitigation of the
10 forfeiture of the Forfeitable Assets.

11 e. Not to assist any other individual in any effort
12 falsely to contest the forfeiture of the Forfeitable Assets.

13 f. Not to claim that reasonable cause to seize the
14 Forfeitable Assets was lacking.

15 g. To prevent the transfer, sale, destruction, or loss of
16 any and all assets described above to the extent defendant has the
17 ability to do so.

18 h. To fill out and deliver to the USAO a completed
19 financial statement listing defendant's assets on a form provided by
20 the USAO.

21 i. That forfeiture of Forfeitable Assets shall not be
22 counted toward satisfaction of any special assessment, fine,
23 restitution, costs, or other penalty the Court may impose.

24 j. With respect to any criminal forfeiture ordered as a
25 result of this plea agreement, defendant waives: (1) the requirements
26 of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding
27 notice of the forfeiture in the charging instrument, announcements of
28 the forfeiture sentencing, and incorporation of the forfeiture in the

1 judgment; (2) all constitutional and statutory challenges to the
2 forfeiture (including by direct appeal, habeas corpus or any other
3 means); and (3) all constitutional, legal, and equitable defenses to
4 the in any proceeding on any grounds including, without limitation,
5 that the forfeiture constitutes an excessive fine or punishment.
6 Defendant acknowledges that forfeiture of the Forfeitable Assets is
7 part of the sentence that may be imposed in this case and waives any
8 failure by the Court to advise defendant of this, pursuant to Federal
9 Rule of Criminal Procedure 11(b)(1)(J), at the time the Court accepts
10 defendant's guilty plea.

11 THE USAO'S OBLIGATIONS

12 4. The USAO agrees to:

13 a. Not contest facts agreed to in this agreement.

14 b. Abide by all agreements regarding sentencing contained
15 in this agreement.

16 c. At the time of sentencing, provided that defendant
17 demonstrates an acceptance of responsibility for the offense up to
18 and including the time of sentencing, recommend a two-level reduction
19 in the applicable Sentencing Guidelines offense level, pursuant to
20 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an
21 additional one-level reduction if available under that section.

22 d. Except for criminal tax violations (including
23 conspiracy to commit such violations chargeable under 18 U.S.C.
24 § 371), not further criminally prosecute defendant for violations of
25 18 U.S.C. §§ 371, 1341, 1343, 1956, and 1957, and 15 U.S.C. § 78j(b)
26 arising out of defendant's conduct described in the agreed-to factual
27 basis set forth in Exhibit B. Defendant understands that the USAO is
28 free to criminally prosecute defendant for any other unlawful past

1 conduct or any unlawful conduct that occurs after the date of this
2 agreement. Defendant agrees that at the time of sentencing the Court
3 may consider the uncharged conduct in determining the applicable
4 Sentencing Guidelines range, the propriety and extent of any
5 departure from that range, and the sentence to be imposed after
6 consideration of the Sentencing Guidelines and all other relevant
7 factors under 18 U.S.C. § 3553(a).

8 NATURE OF THE OFFENSE

9 5. Defendant understands that for defendant to be guilty of
10 the crime charged in count one, that is, wire fraud, in violation of
11 Title 18, United States Code, Section 1343, the following must be
12 true:

13 First, the defendant knowingly participated in or devised a
14 scheme or plan to defraud, or a scheme or plan for obtaining money or
15 property by means of false or fraudulent pretenses, representations,
16 or promises;

17 Second, the statements made as part of the scheme were material;
18 that is, they had a natural tendency to influence, or were capable of
19 influencing, a person to part with money or property, and they
20 directly or indirectly deceived the person about the nature of the
21 bargain at issue;

22 Third, the defendant acted with the intent to defraud, that is,
23 the intent to deceive and cheat; and

24 Fourth, the defendant used, or caused to be used, an interstate
25 wire communication to carry out or attempt to carry out an essential
26 part of the scheme.

PENALTIES AND RESTITUTION

6. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of Title 18, United States Code, Section 1343, is: 20 years' imprisonment; a 3-year period of supervised release; a fine of \$250,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of \$100.

7. Defendant understands that defendant will be required to pay full restitution to the victim(s) of the offense to which defendant is pleading guilty. Defendant agrees that, in return for the USAO's compliance with its obligations under this agreement, the Court may order restitution to persons other than the victim(s) of the offense to which defendant is pleading guilty and in amounts greater than those alleged in the count to which defendant is pleading guilty. In particular, defendant agrees that the Court may order restitution to any victim of any of the following for any losses suffered by that victim as a result: (a) any relevant conduct, as defined in U.S.S.G. § 1B1.3, in connection with the offense to which defendant is pleading guilty; and (b) any charges not prosecuted pursuant to this agreement as well as all relevant conduct, as defined in U.S.S.G. § 1B1.3, in connection with those charges. The parties currently believe that the applicable amount of restitution is approximately \$7.7 million, but recognize and agree that this amount could change based on facts that come to the attention of the parties prior to sentencing.

8. Defendant understands that supervised release is a period of time following imprisonment during which defendant will be subject to various restrictions and requirements. Defendant understands that

1 if defendant violates one or more of the conditions of any supervised
2 release imposed, defendant may be returned to prison for all or part
3 of the term of supervised release authorized by statute for the
4 offense that resulted in the term of supervised release, which could
5 result in defendant serving a total term of imprisonment greater than
6 the statutory maximum stated above.

7 9. Defendant understands that, by pleading guilty, defendant
8 may be giving up valuable government benefits and valuable civic
9 rights, such as the right to vote, the right to possess a firearm,
10 the right to hold office, and the right to serve on a jury. Defendant
11 understands that she is pleading guilty to a felony and that it is a
12 federal crime for a convicted felon to possess a firearm or
13 ammunition. Defendant understands that the conviction in this case
14 may also subject defendant to various other collateral consequences,
15 including but not limited to revocation of probation, parole, or
16 supervised release in another case and suspension or revocation of a
17 professional license. Defendant understands that unanticipated
18 collateral consequences will not serve as grounds to withdraw
19 defendant's guilty plea.

20 10. Defendant and her counsel have discussed the fact that, and
21 defendant understands that, if defendant is not a United States
22 citizen, the conviction in this case makes it practically inevitable
23 and a virtual certainty that defendant will be removed or deported
24 from the United States. Defendant may also be denied United States
25 citizenship and admission to the United States in the future.
26 Defendant understands that while there may be arguments that
27 defendant can raise in immigration proceedings to avoid or delay
28 removal, removal is presumptively mandatory and a virtual certainty

1 in this case. Defendant further understands that removal and
2 immigration consequences are the subject of a separate proceeding and
3 that no one, including her attorney or the Court, can predict to an
4 absolute certainty the effect of her conviction on her immigration
5 status. Defendant nevertheless affirms that she wants to plead
6 guilty regardless of any immigration consequences that her plea may
7 entail, even if the consequence is automatic removal from the United
8 States.

9 FACTUAL BASIS

10 11. Defendant admits that defendant is, in fact, guilty of the
11 offense to which defendant is agreeing to plead guilty. Defendant
12 and the USAO agree to the statement of facts set forth in Exhibit B
13 to this agreement and incorporated herein by reference and agree that
14 this statement of facts is sufficient to support a plea of guilty to
15 the charge described in this agreement and to establish the
16 Sentencing Guidelines factors set forth in paragraph 13 below but is
17 not meant to be a complete recitation of all facts relevant to the
18 underlying criminal conduct or all facts known to either party that
19 relate to that conduct.

20 SENTENCING FACTORS

21 12. Defendant understands that in determining defendant's
22 sentence the Court is required to calculate the applicable Sentencing
23 Guidelines range and to consider that range, possible departures
24 under the Sentencing Guidelines, and the other sentencing factors set
25 forth in 18 U.S.C. § 3553(a). Defendant understands that the
26 Sentencing Guidelines are advisory only, that defendant cannot have
27 any expectation of receiving a sentence within the calculated
28 Sentencing Guidelines range, and that after considering the

1 Sentencing Guidelines and the other § 3553(a) factors, the Court will
 2 be free to exercise its discretion to impose any sentence it finds
 3 appropriate up to the maximum set by statute for the crime of
 4 conviction.

5 13. Defendant and the USAO agree to the following applicable
 6 Sentencing Guidelines factors:

7 Base Offense Level: 7 [U.S.S.G. § 2B1.1(a)(1)]

8 Specific Offense
 9 Characteristics

10 Loss greater than \$3,500,000 and less than \$9,500,000 or equal to \$9,500,000 +16 [U.S.S.G. § 2B1.1(b)(1)(J)]

11 Offense resulted in substantial financial hardship to five or more victims +4 [U.S.S.G. § 2B1.1(b)(2)(B)]

14 Sophisticated means +2 [U.S.S.G. § 2B1.1(b)(10)(C)]

15 Offense involved violation of securities laws and defendant was an investment adviser +4 [U.S.S.G. § 2B1.1(b)(20)(A)]

17 Vulnerable victims +2 [U.S.S.G. § 3A1.1(b)(1)]

18
 19 Defendant and the USAO reserve the right to argue that additional
 20 specific offense characteristics, adjustments, and departures under
 21 the Sentencing Guidelines are appropriate. Defendant understands
 22 that there is no agreement as to defendant's criminal history or
 23 criminal history category.

24 14. Defendant and the USAO reserve the right to argue for a
 25 sentence outside the sentencing range established by the Sentencing
 26 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
 27 (a)(2), (a)(3), (a)(6), and (a)(7).
 28

WAIVER OF CONSTITUTIONAL RIGHTS

15. Defendant understands that by pleading guilty, defendant gives up the following rights:

- a. The right to persist in a plea of not guilty.
- b. The right to a speedy and public trial by jury.
- c. The right to be represented by counsel -- and if necessary have the Court appoint counsel -- at trial. Defendant understands, however, that, defendant retains the right to be represented by counsel -- and if necessary have the Court appoint counsel -- at every other stage of the proceeding.
- d. The right to be presumed innocent and to have the burden of proof placed on the government to prove defendant guilty beyond a reasonable doubt.
- e. The right to confront and cross-examine witnesses against defendant.
- f. The right to testify and to present evidence in opposition to the charges, including the right to compel the attendance of witnesses to testify.
- g. The right not to be compelled to testify, and, if defendant chose not to testify or present evidence, to have that choice not be used against defendant.
- h. Any and all rights to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, and other pretrial motions that have been filed or could be filed.

WAIVER OF APPEAL OF CONVICTION

16. Defendant understands that, with the exception of an appeal based on a claim that defendant's guilty plea was involuntary, by pleading guilty defendant is waiving and giving up any right to

1 appeal defendant's conviction on the offense to which defendant is
2 pleading guilty. Defendant understands that this waiver includes,
3 but is not limited to, arguments that the statute to which defendant
4 is pleading guilty is unconstitutional, and any and all claims that
5 the statement of facts provided herein is insufficient to support
6 defendant's plea of guilty.

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

8 17. Defendant agrees that, provided the Court imposes a total
9 term of imprisonment on all counts of conviction of no more than 151
10 months, defendant gives up the right to appeal all of the following:
11 (a) the procedures and calculations used to determine and impose any
12 portion of the sentence; (b) the term of imprisonment imposed by the
13 Court; (c) the fine imposed by the Court, provided it is within the
14 statutory maximum; (d) to the extent permitted by law, the
15 constitutionality or legality of defendant's sentence, provided it is
16 within the statutory maximum; (e) the amount and terms of any
17 restitution order, provided it requires payment of no more than \$7.7
18 million; (f) the term of probation or supervised release imposed by
19 the Court, provided it is within the statutory maximum; and (g) any
20 of the following conditions of probation or supervised release
21 imposed by the Court: the conditions set forth in Second Amended
22 General Order 20-04 of this Court; the drug testing conditions
23 mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and
24 drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

25 18. The USAO agrees that, provided (a) all portions of the
26 sentence are at or below the statutory maximum specified above and
27 (b) the Court imposes a term of imprisonment of no less than 121
28 months, the USAO gives up its right to appeal any portion of the

1 sentence, with the exception that the USAO reserves the right to
2 appeal the amount of restitution ordered if that amount is less than
3 \$7.7 million.

4 WAIVER OF COLLATERAL ATTACK

5 19. Defendant also gives up any right to bring a post-
6 conviction collateral attack on the conviction or sentence, including
7 any order of restitution, except a post-conviction collateral attack
8 based on a claim of ineffective assistance of counsel, a claim of
9 newly discovered evidence, or an explicitly retroactive change in the
10 applicable Sentencing Guidelines, sentencing statutes, or statutes of
11 conviction. Defendant understands that this waiver includes, but is
12 not limited to, arguments that the statute to which defendant is
13 pleading guilty is unconstitutional, and any and all claims that the
14 statement of facts provided herein is insufficient to support
15 defendant's plea of guilty. This provision does not affect in any
16 way the right of the USAO to appeal the sentence imposed by the
17 Court.

18 RESULT OF WITHDRAWAL OF GUILTY PLEA

19 20. Defendant agrees that if, after entering a guilty plea
20 pursuant to this agreement, defendant seeks to withdraw and succeeds
21 in withdrawing defendant's guilty plea on any basis other than a
22 claim and finding that entry into this plea agreement was
23 involuntary, then (a) the USAO will be relieved of all of its
24 obligations under this agreement; and (b) should the USAO choose to
25 pursue any charge that was either dismissed or not filed as a result
26 of this agreement, then (i) any applicable statute of limitations
27 will be tolled between the date of defendant's signing of this
28 agreement and the filing commencing any such action; and

1 (ii) defendant waives and gives up all defenses based on the statute
2 of limitations, any claim of pre-indictment delay, or any speedy
3 trial claim with respect to any such action, except to the extent
4 that such defenses existed as of the date of defendant's signing this
5 agreement.

6 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

7 21. Defendant agrees that if the count of conviction is
8 vacated, reversed, or set aside, or any of the enhancements imposed
9 by the Court to which the parties stipulated in this agreement is
10 vacated or set aside, both the USAO and defendant will be released
11 from all their obligations under this agreement.

12 EFFECTIVE DATE OF AGREEMENT

13 22. This agreement is effective upon signature and execution of
14 all required certifications by defendant, defendant's counsel, and an
15 Assistant United States Attorney.

16 BREACH OF AGREEMENT

17 23. Defendant agrees that if defendant, at any time after the
18 effective date of this agreement, knowingly violates or fails to
19 perform any of defendant's obligations under this agreement ("a
20 breach"), the USAO may declare this agreement breached. All of
21 defendant's obligations are material, a single breach of this
22 agreement is sufficient for the USAO to declare a breach, and
23 defendant shall not be deemed to have cured a breach without the
24 express agreement of the USAO in writing. If the USAO declares this
25 agreement breached, and the Court finds such a breach to have
26 occurred, then: (a) if defendant has previously entered a guilty plea
27 pursuant to this agreement, defendant will not be able to withdraw
28

1 the guilty plea, and (b) the USAO will be relieved of all its
2 obligations under this agreement.

3 24. Following the Court's finding of a knowing breach of this
4 agreement by defendant, should the USAO choose to pursue any charge
5 that was either dismissed or not filed as a result of this agreement,
6 then:

7 a. Defendant agrees that any applicable statute of
8 limitations is tolled between the date of defendant's signing of this
9 agreement and the filing commencing any such action.

10 b. Defendant waives and gives up all defenses based on
11 the statute of limitations, any claim of pre-indictment delay, or any
12 speedy trial claim with respect to any such action, except to the
13 extent that such defenses existed as of the date of defendant's
14 signing this agreement.

15 c. Defendant agrees that: (i) any statements made by
16 defendant, under oath, at the guilty plea hearing (if such a hearing
17 occurred prior to the breach); (ii) the agreed to factual basis
18 statement in this agreement; and (iii) any evidence derived from such
19 statements, shall be admissible against defendant in any such action
20 against defendant, and defendant waives and gives up any claim under
21 the United States Constitution, any statute, Rule 410 of the Federal
22 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
23 Procedure, or any other federal rule, that the statements or any
24 evidence derived from the statements should be suppressed or are
25 inadmissible.

COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICESOFFICE NOT PARTIES

25. Defendant understands that the Court and the United States Probation and Pretrial Services Office are not parties to this agreement and need not accept any of the USAO's sentencing recommendations or the parties' agreements to facts or sentencing factors.

26. Defendant understands that both defendant and the USAO are free to: (a) supplement the facts by supplying relevant information to the United States Probation and Pretrial Services Office and the Court, (b) correct any and all factual misstatements relating to the Court's Sentencing Guidelines calculations and determination of sentence, and (c) argue on appeal and collateral review that the Court's Sentencing Guidelines calculations and the sentence it chooses to impose are not error, although each party agrees to maintain its view that the calculations in paragraph 13 are consistent with the facts of this case. While this paragraph permits both the USAO and defendant to submit full and complete factual information to the United States Probation and Pretrial Services Office and the Court, even if that factual information may be viewed as inconsistent with the facts agreed to in this agreement, this paragraph does not affect defendant's and the USAO's obligations not to contest the facts agreed to in this agreement.

27. Defendant understands that even if the Court ignores any sentencing recommendation, finds facts or reaches conclusions different from those agreed to, and/or imposes any sentence up to the maximum established by statute, defendant cannot, for that reason, withdraw defendant's guilty plea, and defendant will remain bound to

fulfill all defendant's obligations under this agreement. Defendant understands that no one -- not the prosecutor, defendant's attorney, or the Court -- can make a binding prediction or promise regarding the sentence defendant will receive, except that it will be within the statutory maximum.

NO ADDITIONAL AGREEMENTS

28. Defendant understands that, except as set forth herein, there are no promises, understandings, or agreements between the USAO and defendant or defendant's attorney, and that no additional promise, understanding, or agreement may be entered into unless in a writing signed by all parties or on the record in court.


PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

29. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED


UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

E. MARTIN ESTRADA
United States Attorney



KERRY L. QUINN
Assistant United States Attorney

11-25-2024

Date


JULIE ANNE DARRAH
Defendant


Date



EDWARD ROBINSON, ESQ.
Attorney for Defendant
JULIE ANNE DARRAH

11/22/24

Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.


JULIE ANNE DARRAH
Defendant

11-22-2024
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am JULIE ANNE DARRAH's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of her rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines

1 provisions, and of the consequences of entering into this agreement.
2 To my knowledge: no promises, inducements, or representations of any
3 kind have been made to my client other than those contained in this
4 agreement; no one has threatened or forced my client in any way to
5 enter into this agreement; my client's decision to enter into this
6 agreement is an informed and voluntary one; and the factual basis set
7 forth in this agreement is sufficient to support my client's entry of
8 a guilty plea pursuant to this agreement.

9 *Edward Robinson*

11/22/24

10 EDWARD ROBINSON, ESQ.
11 Attorney for Defendant
JULIE ANNE DARRAH

Date

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EXHIBIT A

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

JULIE ANNE DARRAH,

Defendant.

CR No.

I N F O R M A T I O N

[18 U.S.C. § 1343: Wire Fraud; 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c): Criminal Forfeiture]

The United States Attorney charges:

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant JULIE ANNE DARRAH was a resident of Santa Maria, California.

2. Defendant DARRAH ran an investment advisory business called Vivid Financial Management Inc. ("VFM"), and through this business she provided investment advisory services to individual clients.

3. VFM was an SEC-registered investment advisor, and from 2015 to 2021, defendant DARRAH was the president, chief compliance officer and one-third shareholder of VFM.

1 4. Defendant DARRAH was an investment adviser within the
2 meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-
3 2(a)(11).

4 5. Business Victim 1 was an investment advisor firm based in
5 Minnesota.

6 B. THE SCHEME TO DEFRAUD

7 6. Beginning no later than in or about November 2016, and
8 continuing through at least in or about July 2023, in San Luis Obispo
9 County, within the Central District of California, and elsewhere,
10 defendant DARRAH, together with others known and unknown to the
11 United States Attorney, knowingly and with intent to defraud,
12 devised, participated in, and executed a scheme to defraud investment
13 advisory clients (the "individual victims") and Business Victim 1, as
14 to material matters, and to obtain money and property from such
15 victims by means of material false and fraudulent pretenses,
16 representations, and promises, and concealment of material facts.

17 7. The scheme to defraud operated, in substance, as follows:

18 a. Defendant DARRAH misappropriated and stole
19 approximately \$2.25 million from individual victims, that is clients
20 of her investment advisory business.

21 b. Defendant DARRAH gained control of individual victims'
22 assets in several different ways: (1) she was the trustee of their
23 trusts; (2) the individual victims executed standing letters of
24 authorization ("SLOA") authorizing defendant DARRAH, as their
25 investment adviser, to transfer funds from their brokerage accounts
26 to other bank accounts; (3) defendant DARRAH was a signatory on
27 individual victims' bank accounts; and (4) defendant DARRAH had power
28

1 of attorney over individual victims' property, including their bank
2 and brokerage accounts.

3 c. After gaining control of individual victims' assets,
4 defendant DARRAH, without the knowledge or consent of the individual
5 victims, liquidated securities held in their accounts and then
6 transferred cash from those accounts into her personal bank accounts,
7 where she commingled stolen funds with personal funds and funds
8 relating to her other ventures.

9 d. Defendant DARRAH then used those commingled funds to
10 buy and improve properties, pay her personal expenses, buy luxury
11 vehicles, and operate other business ventures.

12 e. Defendant DARRAH convinced Business Victim 1 to
13 acquire VFM based on false and misleading statements and the
14 concealment of material facts, including false and misleading
15 statements and concealment of facts regarding her theft of individual
16 victims' funds, which resulted in approximately \$5.4 million in
17 losses to Business Victim 1 after the fraud was discovered.

18 C. USE OF INTERSTATE WIRES

19 8. On or about June 27, 2023, in San Luis Obispo County,
20 within the Central District of California, and elsewhere, defendant
21 DARRAH, for the purpose of executing the scheme to defraud described
22 above, transmitted and caused the transmission of an interstate wire
23 transfer of \$90,000, from an account ending -xxx960 at T.D.
24 Ameritrade, held in the name of individual victim C.H., to an account
25 at Mechanics Bank ending -xxx647, held in the name of defendant
26 DARRAH and victim C.H.

FORFEITURE ALLEGATION

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant JULIE ANNE DARRAH's conviction on the offense set forth in Count One of this Information.

2. Defendant DARRAH, if so convicted, shall forfeit to the United States of America the following:

a. All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offenses; and

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), defendant DARRAH, if so convicted, shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of defendant DARRAH, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished in value; or (e) has

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1 been commingled with other property that cannot be divided without
2 difficulty.

3
4 E. MARTIN ESTRADA
5 United States Attorney

6
7 MACK E. JENKINS
8 Assistant United States Attorney
9 Chief, Criminal Division

10 KRISTEN A. WILLIAMS
11 Assistant United States Attorney
12 Chief, Major Frauds Section

13 SCOTT PAETTY
14 Assistant United States Attorney
15 Deputy Chief, Major Frauds Section

16 KERRY L. QUINN
17 Assistant United States Attorney
18 Major Frauds Section
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EXHIBIT B

EXHIBIT B TO PLEA AGREEMENT FOR DEFENDANT JULIE ANNE DARRAH
STATEMENT OF FACTS SUPPORTING PLEA AGREEMENT

A. Introduction

At all relevant times, defendant Julie Anne Darrah ("defendant") was a resident of Santa Maria, California, in the Central District of California, and she ran an investment advisory business called Vivid Financial Management Inc. ("VFM"), and through this business she provided investment advisory services to clients who paid her for these services. VFM was an SEC-registered investment advisor, and from 2015 to 2021, defendant was the president, chief compliance officer, and one-third shareholder of VFM. At all relevant times, defendant was an investment adviser within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(a)(11).

B. Defendant's Theft of Her Clients' Assets

From November 2016 to July 2023, defendant misappropriated and stole approximately \$2.25 million from her clients, nearly all of whom were elderly and at least some of whom were receiving end of life care. Defendant took advantage of these victims' vulnerable circumstances in stealing money from individuals who were least able to protect themselves or recover from their losses. Defendant executed the scheme by gaining control of clients' assets, liquidating securities holdings they had, and stealing the proceeds and other money in her clients' accounts for herself and/or the benefit of PC&J Joint Ventures, LLC ("PC&J"), a business she ran in the food service industry, independent of her work as an investment advisor.

As detailed below, defendant gained control of defrauded clients' assets in several different ways: (1) she was the trustee of

1 their trusts; (2) she had defrauded clients execute a standing letter
2 of authorization ("SLOA") authorizing her, as their investment
3 adviser, to transfer funds from their brokerage accounts to other
4 bank accounts; (3) she was a signatory on clients' bank accounts;
5 and/or (4) she had power of attorney over clients' property,
6 including their bank and brokerage accounts.

7 1. Defrauded Client S.S.

8 On or about October 6, 2015, S.S. hired defendant as an
9 investment advisor to manage S.S.'s personal brokerage accounts and
10 her trust's brokerage accounts. At the time, S.S. was a 75-year-old
11 widow.

12 As the investment adviser for S.S. and S.S.'s trust, defendant
13 had discretionary authority to buy and sell securities in S.S.'s
14 brokerage accounts. In addition, defendant had S.S. execute an SLOA
15 to authorize defendant to transfer funds from S.S.'s brokerage
16 accounts to S.S.'s bank accounts. Further, in April 2017, S.S.
17 appointed defendant as the trustee of her trust. As its trustee,
18 defendant had the power to manage and invest all of the trust's
19 property, including S.S.'s bank accounts and brokerage accounts.
20 Beginning in October 2017, all of S.S.'s bank account statements were
21 addressed to defendant's home, and starting November 2017, all of
22 S.S.'s brokerage account statements were addressed to another house
23 owned by defendant.

24 Defendant used her control of S.S.'s accounts and assets to
25 misappropriate \$1,057,800 from S.S. To do this, defendant sold
26 nearly all of the securities held in S.S.'s brokerage accounts,
27 without S.S.'s knowledge or consent. Next, defendant used the SLOA
28 to transfer the proceeds from S.S.'s brokerage accounts to S.S.'s

1 bank accounts. Because defendant also controlled S.S.'s bank
2 accounts, she was then able to take funds out of S.S.'s bank accounts
3 for defendant's own benefit.

4 In all, defendant transferred \$631,975 to herself, \$190,000 to
5 PC&J, \$200,000 to a third-party to buy a business then held in
6 defendant's own name, \$3,500 to another one of defendant's advisory
7 clients, and \$2,240 to VFM. In addition, from mid-May 2023 to mid-
8 July 2023, defendant used \$30,085 from S.S.'s bank accounts to pay
9 for personal charges defendant had made on S.S.'s credit card.

10 As of July 31, 2023, S.S.'s bank and brokerage accounts had a
11 total balance of \$87,032. Besides her investments, S.S.'s only
12 source of regular income is her social security payment of \$1,631 per
13 month. S.S. has been living in a memory care facility since April
14 2022, where her monthly expenses are \$7,845 per month.

15 2. Defrauded Client M.S.

16 M.S. is the older sister of S.S. In May 2015, M.S., then a 78-
17 year-old widow, hired defendant as her investment adviser to manage
18 her personal accounts and her trust's brokerage accounts.

19 As M.S.'s investment adviser, defendant had discretionary
20 authority to buy and sell securities in M.S.'s brokerage accounts.
21 In addition, defendant had M.S. execute an SLOA authorizing defendant
22 to transfer funds from M.S.'s brokerage accounts to M.S.'s bank
23 accounts. In 2016, defendant also became a signatory to M.S.'s
24 checking accounts. In 2019, defendant further became a signatory to
25 M.S.'s savings accounts, and in March 2020, defendant became a
26 successor trustee of M.S.'s trust.

27 Defendant used her control of M.S.'s accounts and assets to
28 misappropriate \$578,400 from M.S. To this end, defendant sold nearly

1 all of the securities held in M.S.'s brokerage accounts, without
2 M.S.'s knowledge or consent. Next, defendant used the SLOA to
3 transfer the proceeds from the sale of these securities from M.S.'s
4 brokerage accounts to M.S.'s bank accounts. Because defendant also
5 controlled M.S.'s bank accounts, she was then able to take funds out
6 of M.S.'s bank accounts for defendant's own benefit. In all,
7 defendant transferred \$515,400 to herself, and \$63,000 to PC&J. All
8 of this was done without M.S.'s knowledge or consent.

9 As of July 31, 2023, M.S.'s bank and brokerage accounts had a
10 total balance of \$24,605. Besides her investments, M.S.'s only
11 source of regular income is her social security payment of \$2,027 per
12 month.

13 3. Defrauded Client C.H.

14 In March 2022, C.H. hired defendant as her investment adviser.
15 C.H. was an 82-year-old widow at that time.

16 When she hired defendant as her investment adviser, C.H. also
17 executed a power of attorney that appointed defendant as her agent,
18 and vested in defendant the power to dispose of, sell, and convey
19 C.H.'s real and personal property, including assets held in all of
20 C.H.'s bank and brokerage accounts. In addition, defendant had C.H.
21 execute an SLOA authorizing defendant to transfer funds from C.H.'s
22 brokerage accounts to C.H.'s bank account. Then, in late May 2023,
23 defendant became a signatory on C.H.'s bank account.

24 Defendant used her control of C.H.'s assets to misappropriate
25 \$242,000 from C.H. From late May 2023 to July 20, 2023, defendant
26 sold \$210,000 of securities held in C.H.'s brokerage accounts,
27 without C.H.'s knowledge or consent. She then used the SLOA to
28 transfer \$177,800 of those proceeds to C.H.'s bank account, which

1 defendant also controlled, and she then stole C.H.'s funds for her
2 own benefit. In all, defendant transferred \$236,500 of C.H.'s money
3 to herself, and another \$5,500 to another bank account she
4 controlled. All of this was done without C.H.'s knowledge or
5 consent.

6 4. Defrauded Clients S.A., C.H.2, and C.L.

7 In May 2015, S.A., then 72 years old, hired defendant to manage
8 her personal brokerage accounts and her trust's brokerage accounts as
9 her investment adviser.

10 As S.A.'s investment adviser, defendant had discretionary
11 authority to buy and sell securities in S.A.'s brokerage accounts.
12 In September 2019, S.A. appointed defendant as the trustee of her
13 trust. As its trustee, defendant had the power to manage and invest
14 all of the trust's property, including S.A.'s bank accounts and
15 brokerage accounts. S.A.'s daughters, C.H.2 and C.L., were the
16 trust's beneficiaries. S.A. died in April 2020.

17 In July 2020, defendant opened a bank account in the name of
18 S.A.'s trust. Defendant then consolidated S.A.'s assets - including
19 funds from S.A.'s bank and brokerage accounts and from the sale of
20 S.A.'s home - in that bank account.

21 With all of S.A.'s assets consolidated into that bank account,
22 defendant transferred \$7,900 from the account to herself. Defendant
23 provided no financial reporting concerning the trust to S.A.'s
24 daughters, and they did not know defendant had misappropriated \$7,900
25 of S.A.'s assets for herself. The net loss to S.A.'s daughters was
26 \$5,793, after defendant returned some of the stolen money.

1 5. Defrauded Client B.C.

2 At the start of 2020, B.C., then a 79-year-old retired teacher,
3 was also one of defendant's advisory clients. In September 2020,
4 B.C. executed a power of attorney that appointed defendant as her
5 agent, and vested in defendant the power to dispose of, sell, and
6 convey B.C.'s real and personal property, including assets held in
7 all of B.C.'s bank and brokerage accounts. Defendant then arranged a
8 transfer of \$200,000 from B.C.'s accounts to fund a restaurant
9 defendant was opening, without B.C.'s knowledge or consent.

10 6. Defrauded Client B.H.

11 In November 2021, B.H., then 75 years old, hired defendant as
12 her investment adviser. A month later, B.H. created a special needs
13 trust for herself and appointed defendant the trustee of that trust.
14 B.H.'s trust provided that defendant, as trustee, was to use trust
15 assets "for the satisfaction of [B.H.'s] special needs," which meant
16 "maintaining [B.H.'s] good health, safety, education and welfare."
17 As its trustee, defendant had the power to manage and invest all of
18 the trust's property, including B.H.'s bank accounts and brokerage
19 accounts.

20 In 2022, after B.H. received an inheritance, defendant opened a
21 bank account in the trust's name, and she deposited \$141,618 into
22 that account, representing B.H.'s inheritance. She told B.H. that
23 she would provide B.H. with money as needed. However, from February
24 2022 to mid-June 2023, defendant stole a net total of \$96,200 in
25 funds from that account.

26 As of mid-June 2023, B.H.'s trust bank account had a balance of
27 \$1,012. The account would have had a negative balance but for
28 defendant's deposit of \$3,500 that she took from S.S.

1 7. Defrauded Client D.C.

2 In August 2020, L.C. became one of defendant's advisory clients.
3 At the time, L.C. was a widowed 85-year-old retired elementary school
4 teacher. L.C. appointed defendant as trustee of her trust. As its
5 trustee, defendant had the power to manage and invest all of the
6 trust's property, including L.C.'s bank accounts and brokerage
7 accounts. In addition, as L.C.'s investment adviser, defendant had
8 discretionary authority to buy and sell securities in L.C.'s
9 brokerage accounts. In October 2020, L.C. died. The trust's
10 beneficiary was L.C.'s son, D.C., who also became one of defendant's
11 advisory clients.

12 Defendant used her control of L.C.'s assets (of which D.C. was
13 the beneficiary) to misappropriate approximately \$30,000 from D.C.
14 In November 2020, using her authority as trustee, defendant
15 transferred \$20,000 from L.C.'s brokerage account to the trust bank
16 account that defendant had opened and also controlled. Separately,
17 in October 2021 and February 2022, defendant deposited another \$8,170
18 of L.C.'s money in that account.

19 8. Defrauded Clients J.S. and P.S.

20 In March 2019, J.S. was one of defendant's advisory clients.
21 J.S. created a special needs trust for his brother, P.S., and funded
22 the trust with \$54,125, his brother's inheritance from their father's
23 estate.

24 J.S. appointed defendant as trustee for the special needs trust
25 because he wanted a third-party to oversee his brother's use of his
26 inheritance. As its trustee, defendant had the power to manage and
27 invest all of the trust's property, including its bank accounts. In
28 July 2020, defendant opened a bank account in the name of the special

1 needs trust, and deposited \$54,125 into that account, representing
2 P.S.'s inheritance. Defendant had sole control over that account.
3 Defendant used her control of the account to misappropriate \$39,200
4 from P.S.

5 9. Defendant's Use of Misappropriated Client Funds

6 In total, between November 2016 and July 2023, defendant
7 misappropriated approximately \$2.25 million in funds from defrauded
8 clients.

9 She transferred most of this misappropriated money into her
10 personal bank accounts, where she commingled stolen client funds with
11 funds relating to defendant's other business ventures. She then used
12 those commingled funds to buy and improve properties, pay her
13 personal expenses, buy luxury vehicles, and buy and operate food-
14 related businesses at a loss.

15 **C. Business Victim 1**

16 In January 2022, defendant and VFM's other owners sold VFM's
17 investment advisory business to another SEC-registered investment
18 advisor based in Minnesota ("Business Victim 1"). In connection with
19 that sale, defendant made numerous false and misleading
20 representations and concealed numerous material facts to induce
21 Business Victim 1 to purchase the business, failing to disclose,
22 among other things, her fraudulent misappropriation of client assets.
23 After the sale, defendant worked for Business Victim 1 as a senior
24 vice president, continuing to provide investment advisory services to
25 clients until July 25, 2023, when Business Victim 1 placed defendant
26 on administrative leave after discovering anomalies that led to
27 discovery of the fraud. Business Victim 1 suffered approximately
28 \$5.4 million in losses as a result of the fraud, including money paid

1 to some of the individual client victims who became clients of
2 Business Victim 1 when it acquired VFM.

3 **D. Interstate Wires**

4 In executing the fraudulent scheme described above, defendant
5 caused the transmission of numerous interstate wires, including a
6 \$90,000 interstate wire sent on June 27, 2023, from an account ending
7 -xxx960 at T.D. Ameritrade, held in the name of victim C.H., to an
8 account at Mechanics Bank ending -xxx647, held in both defendant's
9 name and C.H.'s name.

10 **E. Losses and Other Sentencing Factors**

11 Defendant admits and acknowledges the offense to which she is
12 pleading guilty caused approximately \$7.7 million in losses,
13 including substantial financial harm she personally caused to 5 or
14 more victims. Defendant also admits and acknowledges that the
15 offense involved sophisticated means and she intentionally engaged in
16 or caused the conduct constituting sophisticated means as set forth
17 above. Defendant further admits and acknowledges the offense
18 involved violations of the securities laws at the time she was acting
19 as an investment advisor. Finally, defendant admits and acknowledges
20 that she defrauded vulnerable victims, and the victims were targeted
21 in part because of their age and vulnerability.

22 * * *

23 **CERTIFICATION OF DEFENDANT**

24 I have read this STATEMENT OF FACTS IN SUPPORT OF PLEA AGREEMENT
25 ("statement of facts") in its entirety. I have had enough time to
26 review and consider this statement of facts, and I have carefully and
27 thoroughly discussed every part of it with my attorney. I agree that
28 this statement of facts is accurate and correct, and is sufficient to


1 support plea of guilty to the charge described in the plea agreement
2 and to establish the Sentencing Guidelines factors set forth in
3 paragraph 13 of the plea agreement.

4
5 
6 JULIE ANNE DARRAH
Defendant

11-22-2024
Date

7
8
9 CERTIFICATION OF DEFENDANT'S ATTORNEY

10 I am JULIE ANNE DARRAH's attorney. I have carefully and
11 thoroughly discussed every part of this statement of facts with my
12 client and agree that it is sufficient to support plea of guilty to
13 the charge described in the plea agreement and to establish the
14 Sentencing Guidelines factors set forth in paragraph 13 of the plea
15 agreement.

16 
17 EDWARD ROBINSON, ESQ.
Attorney for Defendant
18 JULIE ANNE DARRAH

11/22/24
Date

CERTIFICATE OF SERVICE

I, **T. Montes**, declare:

That I am a citizen of the United States and a resident of or employed in Los Angeles County, California; that my business address is the Office of United States Attorney, 312 North Spring Street, Los Angeles, California 90012; that I am over the age of 18; and that I am not a party to the above-titled action;

That I am employed by the United States Attorney for the Central District of California, who is a member of the Bar of the United States District Court for the Central District of California, at whose direction I served a copy of:

PLEA AGREEMENT FOR DEFENDANT JULIE ANNE DARRAH

☐ Placed in a closed envelope for collection and inter-office delivery, addressed as follows:

☐ Placed in a sealed envelope for collection and mailing via United States mail, addressed as follows:

☐ By hand delivery, addressed as follows:

☒ By email, as follows:
Ed Robinson
Attorney at Law
eroblaw@gmail.com

☐ By messenger, as follows:

☐ By Federal Express, as follows:

This Certificate is executed on December 5, 2024, at Los Angeles, California. I certify under penalty of perjury that the foregoing is true and correct.

/s/

T. Montes
Legal Assistant